



NORWICH City Council

Committee Name: Cabinet

Committee Date: 09/03/2022

Report Title: The award of Home Improvement framework of contractors

Portfolio: Councillor Jones, Cabinet member for safer, stronger neighbourhoods

Report from: Executive director of community services

Wards: All Wards

OPEN PUBLIC ITEM

Purpose

To consider delegating authority to award a contract for the home improvement framework of contractors

Recommendation:

To:

- a) Enter into a framework agreement for the provision of home improvement works
- b) Delegate the Executive Director for Community Services, in consultation with the Portfolio Holder for Safer, Stronger Neighbourhoods to award the contracts to the most economically advantageous suppliers

Policy Framework

The Council has three corporate priorities, which are:

- People living well
- Great neighbourhoods, housing and environment
- Inclusive economy

This report meets the People living well & Great neighbourhoods, housing and environment corporate priority

Report Details

1. The council has a statutory duty to offer Disabled Facilities Grants (DFG) to eligible residents. It also exercises its discretionary power to provide financial assistance to vulnerable homeowners to carry out minor repairs or to tackle hazardous conditions in their homes and aid discharge or prevent admission to hospital.
2. The proposed annual capital budget for this work is £1.782m in 2022/23. However, it is not anticipated that the spend over 4 years will exceed £4.7m
3. The council's home improvement team offers a 'home improvement agency' service to all applicants. This service organises the whole process from initial application through assessment, design of the works, organising the builders and ensures good quality and value for money.
4. Although DFG recipients can elect to use their own suppliers, a significant majority of recipients in Norwich elect to use the home improvement agency service, recognising the benefits of doing so.
5. The home improvement agency service is currently provided by a standing list of 12 suppliers, most of whom are local small and medium enterprises. The suppliers were selected as the result of a previous procurement process. This arrangement began on 1 July 2015 and was extended during the pandemic period.
6. The suppliers undertake work on private sector homes. Where grant recipients are resident in council owned properties, from 1 April this work will be undertaken by NCS with the option of using the local supplier framework for periods of high demand.
7. The contract will build a framework of suppliers working on a rota basis to an agreed schedule of rates. Selected suppliers will need to be able to provide all items on the schedule of rates.
8. The opportunity will be openly and competitively tendered. The returned tenders will be evaluated based on their quality to deliver the work. The current suppliers have expressed an intention to apply. Of these the majority are SMEs and based locally.
9. The new contract is proposed to commence by 1 June 2022 with a contract period of four years, consisting of an initial two-year term with the option to extend for a further two years.
10. The council will not be bound to always using a supplier from the standing list; covering eventualities where specialist works are required. Once formed, the contract framework, associated rotas, requests for quotes, the raising of requisition orders and the receipting of invoices will be administered by the home improvement team.

Procurement Process

11. An open tender opportunity will be advertised on the councils E-procurement portal, In-Tend.

12. The majority of the works awarded through this framework will be from a pre-priced schedule of rates set by the council after carrying out market research.
13. Winning suppliers will be selected based on their quality, the criteria for which is specified in the tender.

Approval to award

14. Approval to delegate the award is sought as the procurement timetable does not allow for a report to be brought to Cabinet identifying the winning suppliers in the time frame allowed. Therefore, Cabinet is requested to delegate the decision to award the contracts on the framework to the Executive director of community services in consultation with the Cabinet member for safer stronger neighbourhoods.

Financial and Resources

15. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan and Budget.
16. The approved 2022/23 General Fund capital programme includes budgets for the award of Disabled Facilities Grants and funding of Home Improvement Agency works to private sector residents as set out in the table below:

2022/23	2023/24	2024/25	2025/26	Total
£000	£000	£000	£000	£000
1,782	1,440	1,440	1,440	6,102

17. The General Fund budgets are fully funded from the council's allocation of the Better Care Fund (BCF) which is awarded on an annual basis by Norfolk County Council.
18. The value of the BCF grant is determined on an annual basis therefore the value will be adjusted to reflect confirmed allocations upon confirmation, but the value has remained consistent over recent years.
19. The approved 2022/23 Housing Revenue Account (HRA) capital programme includes budgets for disabled adaptation works for council housing tenants as set out in the table below and are included within the HRA 30-year business plan:

2022/23	2023/24	2024/25	2025/26	Total
£000	£000	£000	£000	£000
1,400	1,400	1,400	1,400	5,600

20. As indicated above, these budgets will fund work to be carried out by both NCSL and contracts awarded under the proposed framework agreement.

Legal

21. The contract will use the JCT framework agreement 2016 and the procurement will comply with the Council's contract procedure.

Statutory Considerations

Consideration	Details of any implications and proposed measures to address:
Equality and Diversity	The council's standard policy is included as part of the tender package
Health, Social and Economic Impact	This contract enables the Council's home improvement agency to operate effectively. This brings significant advantages to residents in that it can ensure that necessary home improvements to support residents live well in their homes is undertaken on a timely basis and to a good standard.
Crime and Disorder	Neutral
Children and Adults Safeguarding	The councils safeguarding policy statement is included as part of the tender package
Environmental Impact	Suppliers will be delivering energy efficient measures, such as modern efficient replacement boilers

Risk Management

Risk	Consequence	Controls Required
Failure to procure this framework of suppliers will expose the council to the risk of failing to deliver Disabled Facilities Grants (DFG) and similar works.	Vulnerable households will not get the assistance they require to make their homes safe and suitable for them. The council will also fail in its duty to deliver the statutory DFG	The award of the contract will ensure the service continuity can continue and residents will receive the home improvements they need
Risk that a supplier fails to deliver works to the expected standard and time	Works are not undertaken to support residents on a timely basis or to standard expected	Throughout the contract period, suppliers are actively monitored on a site-by-site basis. Failure to produce work to the expected standard could result in a supplier being removed from the framework

Other Options Considered

22. The procurement team, together with the home improvement team have conducted initial analysis to explore the requirement further and identified the following other options, none of which were recommended:

23. **Do nothing:** If we do nothing, then grant applicants will be required to undertake the procurement for works themselves, which could increase stress for residents, and lead to work not being undertaken to the required quality.
24. **In house provision:** Norwich City Council does not have any existing in-house resources.
25. **Delivery by NCS:** NCS will be beginning to deliver works in relation to social housing properties and does not have the capacity at present to absorb private sector work. There are also legal considerations that will need to be considered were NCS to undertake work on private sector properties. Whilst NCS develops its service, this private sector framework adds resilience through providing an alternative option to NCS for council housing in periods of peak demand.
26. **Identify a single supplier to award the contract to without competition:** This would be contrary to Contract Procedures as the value is approximately £4.7m. over the term of the contract
27. **Utilise an existing framework:** There is the potential to use other frameworks for this work. However, the existing contract established by the Council is particularly attractive to small and medium size local businesses, who are unlikely to enter wider, national scale frameworks.

Contact Officer: Kevin Ayers – Home Improvement Manager

Telephone number: 01603 989192

Email address: kevinayers@norwich.gov.uk